

World Labor Rallies Behind Strike of Six Million Workers in Britain

Huge Muscle Shoals Steel Impends—Billions in Private Profits Seen

United States Senate by a large margin...

Could Slash Prices

That these other companies can cut present rates in half and still make a profit has been proved...

What It Really Costs

According to the experience of the publicly owned Hydro-Power Co. in Ontario and to the testimony of leading engineers...

Huge Possible Profits

The bulletin then figures the possible profits from another angle...

which generate power by both water and steam, sold about 5,500,000 kilowatt hours in 1924...

"To be safe," the bulletin adds, "let us make the violent assumption that it will cost as much to generate energy at Muscle Shoals by water power alone as in Pennsylvania with both steam and water..."

Fifty-Year Total

When interest at 6 per cent, compounded annually, is added to this annual profit, the bulletin asserts, the total for the 50 years for which it is planned to lease the plant would reach the billion-and-a-half figure cited...

Mr. Coddige's political supporters among the power interests are convinced that they and not the government should run the plant in the future...

The Broadcaster

British aristocrats and plutocrats for the first time in their lives are doing useful work—useful to themselves. This schooling they prove valuable to them in the not distant future.

The big fear among the rulers and masters of England about the strike is expressed in this dispatch from London:

Members of the government are not anxious to smash the trades unions because they realize that by doing so they will strengthen the Labor party. At the same time they are torn between this fear and the desire to make an example which will prevent another attempt to hold up the country by a general strike.

Do you not see the significance of this? Labor has two arms in Great Britain—the trade union arm and the political arm. It gets the opposition coming and it gets it going. American labor is a cripple. It has but one arm.

One of the most significant things about the British general strike is that the first thing it did was to tie up all the opposition newspapers. The biggest weapon of capitalism is the newspaper. The strikers in one stroke silenced all these dangerous and destructive pieces of heavy capitalist artillery...

More London prosperity. The Chicago Board of Health examined 100,000 school children in 1925 and found them nearly one-fourth undernourished.

The worst indictment against the present system is that it artificially creates poverty where the machinery and labor and natural resources produce enough wealth for all except the few. It does this by limiting the purchasing power of the people to the lowest wages it can manage to pay.

The trade-union fight for bigger wages and shorter work days is part of the Socialist process of getting the whole product over to the producer. The two movements should always be united. They are in every country except the United States.

The farmer belongs in the Socialist movement because Socialism would remove the financial and industrial powers that are robbing him and rapidly reducing him to serfdom and it would give him free access to his tool, the land, and the full value of his product.

The U. S. Department of Agriculture has ascertained by investigation that the average United States farmer owes 85 per cent of his income to his own individual labor and only 15 per cent to hired help. That is why the farmer belongs with the workers in the great fight for emancipation of labor...

The interests that are engaged in robbing the farmers are lining up to put through a bill to aid co-operative marketing. They are lining up solidly also to defeat the bill indorsed by the farm organizations. This humbug is so transparent, so colossal, so impudent, that no one should be fooled by it.

If advocates of the present system fought fair they would not fight at all, because they have nothing fair to fight for.

It is as silly to talk of the nation being prosperous because a few have good times as it would be to talk of it being happy because a few kings in Europe are playing the devil all the time.

The Facts

- 1. Number of workers that went out in the first defense line as reported by the strike leaders—4,342,932.
2. Number that went out in the second defense line—About 2,000,000, making a total of over 6,000,000.
3. Most complete national general strike in history.
4. "Stoppage Complete" is the trade union official report on the success of the strike.
5. Cause of strike—to prevent reduction of miners' wages from about \$2.50 per day to about \$1.75 per day and the lengthening of the work day by the employers. A DEFENSIVE STRIKE OF ALL BRITISH LABOR TO PREVENT THE ESTABLISHMENT OF WAGE REDUCTIONS BELOW AN ACTUAL LIVING WAGE.
6. Immediate cause of great walkout—Sudden breaking off of negotiations by Premier Baldwin, Tory minister of Great Britain.
7. Purpose of strike—to obtain a reorganization of the coal industry, preferably through public ownership, that will enable it to pay a living wage.

Next to the strike itself involving a walkout of more than half the inhabitants of Great Britain, the most significant and inspiring development connected with this event is the worldwide action of organized labor and of all the political parties of labor in support of the strike.

In practically every European country, in countries in North and South America, Asia and Africa, and in Australia, the economic and political movements of labor have taken steps to render every assistance possible to the greatest general strike in all history.

This labor reorganization over a whole planet may have a greater meaning than is now generally realized. It may mark the beginning of the world-wide labor mass movement, produced by Marx and the early Socialists, which would usher in the new social order and emancipate the whole human race.

Here are some of these events in this great movement reported in the daily papers:

International

Amsterdam, Holland. The International Federation of Trade Unions, embracing the unions of twenty-three countries, has announced it will strongly support the British Trade Union congress.

Word came from Amsterdam today that the Trade Union international had called meetings of the International Miners and the Transport

Workers, as well as other unions involved in the repercussions from the British general strike, to consider the situation.

Amsterdam, May 4. The secretary of the International Federation of Trades Unions states tonight that the federation, embracing the trades unions of twenty-three countries and having at its disposal cash amounting to 200,000,000 Dutch guilders (about \$200,000,000) strongly and support the general strike of the British Trade Union congress.

The federation has sent communications to the various national federations urging them to support British labor. The British strikers are believed to be able to hold out for four or five weeks on their own resources.

Germany

Berlin. German labor today laid its plans to assist the British general strikers.

An executive of the German trade union federation conferred with the executives of the miners, transport workers, and railwaymen, and the conference decided unanimously on steps to prevent German labor from giving unintended assistance to the efforts to break the British strike.

The steps decided upon were: 1. They will prevent loading British vessels at German ports.

2. German seamen will be directed not to make a second attempt for service on a British ship.

3. German labor will do its utmost to thwart any efforts to stop German coal to England.

Kessen, Germany. The German Miners' Federation has issued a manifesto saying it will prevent transport of coal from Germany to Great Britain.

France

Paris, May 4.—The French miners' union today secured the support of the railway and dock workers for a boycott of all shipments of coal to England. The three unions agreed to strike if necessary.

Paris. Attempts to publish editions of London dailies in Paris for airplane transportation to England, failed here today on account of refusal of the organized workers in the printing trades to do the work.

Paris, France. A joint meeting of the leaders of the French mine workers, the railroad men and the dock workers has been called to decide on measures to defeat any attempt to ship coal to England.

Russia

Moscow. The Russian trade union council has appealed to all trade unionists to contribute a quarter of a day's pay to the support of the British general strike.

The sum is estimated at \$1,500,000. One hundred and thirty thousand dollars has already been telegraphed to the British Trade Union council.

Sums already collected in Russia

for the benefit of the strikers, apart from the proposed trade unionist contributions are estimated at \$1,500,000.

Many newspapers have opened subscription funds.

The Russian dock and transport unions have refused to handle goods destined for England during the strike. Meetings of sympathy for the strikers were reported from Leningrad, Kharkov, Ekaterinoburg and other centers.

Riga, Latvia, May 5.—When the English steamship Dago pulled alongside the Riga dock storage dock today for a cargo of Russian butter for England the captain was informed by an official of the local soviet trade delegation that the shipment had been canceled from Moscow. It is reported here that all Russian shipments of butter, eggs, poultry, and other produce to England have been halted by the soviet government.

London. The Trade Union Congress has announced that it will gladly receive assistance from every country in the world except Russia.

Belgium

Brussels, May 1.—Belgian miners today decided to meet May 8 to decide on their attitude toward the British mine strike. It is expected that they will take measures to prevent the export of coal to Britain if the British mines still are on strike.

Holland

Rotterdam, Holland. The transport workers have distributed a manifesto to the dock workers asking them not to assist in loading coal for Great Britain.

Denmark

Copenhagen.—Danish labor unions today decided to strike in sympathy with the British workers. The unions announced that they were preparing to send strike notices to the employers.

This was the first important instance of Britain's labor dispute extending to the continent.

Denmark supplies Britain with a major portion of the dairy products, butter and eggs and the like which is imported.

The effect of the Danish war will be felt immediately at the British breakfast table.

Australia

Sydney, Australia. Following the lead of English miners, the coal mine employees of the state of New South Wales have given notice of their intention to go on strike Saturday, owing to their dissatisfaction with the recent arbitration award.

Japan

Tokyo, Japan, May 4. The Japanese Federation of Labor has called (Continued on Page 3)

Espionage Victim Uncovers Real Reason of Disfranchisement Hoax

Department of Justice of the United States is still engaged in perceiving the infamous lie that the victims of the War Espionage Act are being disfranchised, despite the fact that this falsehood was punctured by the American Appeal and other organs of the Socialist Party.

The Department of Justice is still engaged in perceiving this deception on individuals of the War Espionage Act, it is using it as a club to threaten victims to sign applications for pardon in which they themselves not to repeat the offense and swear allegiance to the constitution of the United States.

The fact was disclosed during the national convention in March, May 1 and 2, by a delegate, Herman, national organizer for Socialist party, who wrote Attorney General John G. Sargent for the purpose of testing out the present alleged disfranchisement of the war victims and the restoration of their citizenship.

Reply received by Herman disclosed a doubt the real reason for the deception practiced by the Department of Justice and two Republican administrations which result in the extending of Debs and 1,500 other victims out of their citizenship.

Letter from Herman to Attorney General Sargent; the reply of the Attorney General and the application

blank followed by the Department of Justice in the order named.

Herman's Letter

Lincoln, Neb., April 27, 1926. Attorney General John G. Sargent, Department of Justice, Washington, D. C.

Dear Sir: In 1918 I was tried and convicted under Section 3, Title 1, of the Espionage Act and sentenced to serve ten years in McNeil's Island Federal Penitentiary.

Will you please inform me on the following: Did said conviction carry with it forfeiture of my citizenship or any of my civil and political rights?

If so, what is necessary to have said citizenship or civil and political rights restored to me? Please cite the law concerning this matter and mail your reply to me, General Delivery, Pittsburgh, Pa.

Respectfully yours, EMIL HERMAN.

Attorney General's Answer

The reply was received through the Socialist national convention by Conrade Herman, and is as follows:

Enclosed is an application blank for your pardon to restore civil rights. When it is duly executed and returned to the Department, your case will receive

appropriate consideration. This reply avoids every question asked by Herman.

It neither affirms nor denies that the citizenship of the espionage victims was forfeited.

It does not attempt to quote the law.

BUT IT ATTEMPTS TO PERPETUATE THE INFAMOUS LIE THAT THESE WAR VICTIMS WERE DISFRANCHISED BY SENDING AN APPLICATION BLANK THAT FULLY IMPLIES A LOSS OF CITIZENSHIP RIGHTS.

Application for Pardon

The following is the application form:

I, _____ residing at _____ in _____ asking for pardon, do solemnly swear that I will be law-abiding in future and will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will take this obligation freely and without mental reservation of mind in me whatever; SO HELP ME GOD.

Signature _____

Subscribed and sworn before me this _____ day of _____

A. D. 19____

Notary Public.

(Continued on Page 3)

Berger Bill Would Nationalize Big Utilities and End Strikes

Washington. — Nationalization of railroad, telegraph, telephone and express properties engaged in interstate commerce was proposed in a bill by Representative Victor L. Berger, introduction in the House this week.

Private ownership of public utilities must eventually lead to struggles such as that now occurring in England, which has all the characteristics of civil war, Berger said in making public the measure. Under his bill a federal department of transportation and telegraphs would administer the operations.

Pay on Valuation

The measure provides for payment to the present owners on a basis of actual valuation and for the establishment of advanced labor conditions in these industries.

Berger predicted a repetition of strikes such as the hard coal strike in Pennsylvania, more numerous and more serious than they have been in the past unless all natural resources and public utilities are returned to the people where they belong.

Not a Failure

Government ownership is not a failure, he said, adding that government wartime operation of the rail-

roads was merely control, under which private owners remained in charge of operation. The government took charge after private operation in the emergency had failed, and the rolling stock was much run down, he added.

"The government not only spent millions of dollars to put the railroads into excellent condition, but it guaranteed the owners a profit equal to that in the most profitable years of American railroading.

"Government control during the war was not quite the failure the owners and the press have been proclaiming ever since. If those who remained in charge had not sabotaged the government while it was busy planning for the war, it would have been a success.

Will End Graft

"The abolition of the private ownership of railroads and of natural resources will do away with the most prolific sources of corruption and graft known to American political life. Every form of federal aid and state aid was extended to them. They were given preferential rates—huge land grants—guarantees of profits.

"In spite of all these subsidies, the history of railroads in the United

States discloses one failure after another. Small stockholders, the public at large, the farmers, and to no small extent the less organized of the railroad employees have been the victims of the railroad magnates."

Maim 8,746 Child Workers

NEW YORK.—(FP)—The National Child Labor committee in the current American Child shows that 8,746 workers under 18 years of age were injured in Pennsylvania industry in 1923. The total fatalities are not given but 51 workers of the 16 and 17-year groups were killed on the job and 81 permanently injured. More textile industry maimed more children than any other. An examination of the 14 and 16-year group shows that 50 per cent of these children were risking their limbs and their lives for an average of less than \$10 per week.

Can You Follow a Chain of Thought?

The following propositions grow out of the first one to the conclusion: Can you follow this chain of reasoning...

Capitalism aims to establish a condition where land cannot be used for productive purposes and productive machinery cannot be used by private owners to extort wealth from labor.

Under Socialism it would not be possible for any one to make a cent of land except by tilling it; but who tilled it would get the full value of the product.

Under Socialism it would not be possible for any one to make money by owning machinery operated by others, but the man who operated the machinery would get all that the machinery produced.

When conditions are established which make productive effort will get something and more ownership will be what we will have Socialism.

Socialism is merely an attempt under modern conditions to get back to the original and original condition of things wherein the producer had free access to the tool and source of energy, and had the product after it was produced.

Under modern conditions tools have become great machines and machines have become interlinked industries, controlled by high financiers and industrial profiteers. In order to obtain the producer free access to tools and free operation of machinery and get over to him his full share of the big tools have to be taken from all who work them and are used by their operators—hence the Socialism of ownership—cooperation and public ownership.

The first step toward the realization of Socialism is the public or cooperative ownership of all productive enterprises that are public or cooperative in their nature, and the public ownership of all productive enterprises that are individual in their nature.

The second step is the democratic operation of all publicly and cooperatively owned enterprises. Actual democracy in the industries would mean that the individual would possess sovereign rights and a vote that would safeguard his interests and guarantee to him his equitable share of the output.

Is there anything wrong with this kind of reasoning or the conclusion? Is the condition described in the conclusion desirable, or not? If not, why not? The Appeal invites BRIEF explanations from its readers on any of these points. Let's start something.

Espionage Victim Uncovers Hoax

(Continued from Page 1)

The signing of the application for citizenship would bind the victim not to be an alien, for which he was imprisoned. It would give the Department of Justice a straight hold on his thoughts, beliefs and opinions as a victim for all time to come on the alleged national emergency.

The victim to swear new oaths to the Constitution of the United States, placing them by implication in the position of alien enemies and enemies of the United States.

It points out the real reason for the signing of the fiction that the victim had forfeited their citizenship as a result of this action could be that the victims might be used to sign this disgraceful application.

THE SIGNING OF THE APPLICATION BY LARGE NUMBERS OF ESPIONAGE VICTIMS COULD COVER UP THE MONUMENTAL CRIME OF THE ENTRY OF UNWANTED STATES INTO THE WAR. IT WOULD PLACE THE SIGNATURES OF THIRTY THOUSAND VICTIMS.

IT WOULD HAVE BEEN TANTAMOUNT TO THE SIGNING AWAY OF FREE SPEECH AND CIVIL RIGHTS IN AMERICA.

Every other country in the world has issued amnesty proclamations to all Espionage victims, restoring all their civil rights by the act of justice, this cheap and dishonest conspiracy of corrupt politicians and war makers is carried on in the name of the Appeal should be a result of STATE.

The papers print is untrue. The important truth on your pocket books.

Under Socialism everybody would have a job. It couldn't be otherwise.

Young People's Department National Office YOUNG PEOPLE'S SOC. LEAGUE 10 Lawrence St., Flushing, Mass. James J. Parker, Nat. Director.

With the Circles

Warren, Ohio.—On April 28 and May 3, the Warren Circle arranged a meeting addressed by the national director. On the first occasion a general outline of organization work was presented, followed by general discussion.

Ashabula, Ohio.—A group of interested young people gathered at the party house April 27 and after a brief talk by the national director and a general organization meeting, an application for a charter was filed. Officers and committees were elected. The circle is meeting each week.

Cleveland, Ohio.—The recently organized group in Cleveland is preparing an application for a circle charter, having decided to affiliate with the national Y. P. S. L. at a meeting addressed by the national director April 28.

The Party and the Y. P. S. L.

"Organization, Education, Solidarity" is the slogan of the Young People's Socialist League, and organization, education and solidarity are the foundation stones on which is built the Socialist Party, the adult organization related to the Young People's Socialist League.

But in this League of young people are many types of circles, the units which make up the League. There are circles composed of young people averaging 21 years of age; those composed of members between sixteen and twenty-one; those made up largely of non-Socialist elements where the members have joined for a good time.

There is the circle which is so weak it barely functions, and needs to be continually re-organized by the Socialist Party local. This diversity in the composition of the League circles makes the task of outlining a general rule for the guidance of the League in its relation to the party a rather difficult one.

More specifically, there are a number of ways that might be mentioned, by which this policy of co-operation can be carried out.

First, and most important, should be stated the necessity of the overlapping membership in the League and the party. Members of the Socialist Party must be at least 21 years of age, but members of the League may be sixteen to twenty-five years of age, inclusive.

It also appears that from twenty-one to twenty-five a member of the League may also be a member of the party, and vice versa. Every effort should be made both in the League and the party to encourage this overlapping membership.

Secondly, the constitution of the party provides for a dual Y. P. S. L. and S. P. dues stamp by which a member of both organizations needs not pay more for monthly dues than a member of the party alone would pay. In addition to this, the national constitution of the Y. P. S. L. stipulates, "Any member upwards of twenty-one years of age who has been a member of the League for one year or more must become a member of the Socialist Party."

A second method of securing co-operation is by the exchange of delegates to the party branch or local from the League, and from the party branch to the League. Such delegates would be allowed a vote but no vote on all matters. The party will benefit by having a fresh and youthful point of view presented to it during its councils, and the League will benefit in having the experience of older members in matters of education and organization at its constant disposal.

At least two delegates should be sent from each organization—one of the party members to help in matters educational and the other in matters of organization. The proper or improper party delegates will often decide whether the relationship between the League and the party shall be one of active co-operation, one of indifference, or even of open hostility.

This matter of exchange of fraternal delegates may be further carried out by offering the services of the Y. P. S. L. members on various arrangement committees of the party, whether for a large meeting, a social affair, or similar undertaking. League members should offer their assistance at these affairs as ushers, holders of literature, collectors, etc., and to help decorate the hall or arrange the program at social functions, or in any other manner which the occasion may demand.

While part of our education in the movement is derived from books, from teachers, and from lectures, we can get only the theory and the history in

this manner; our own experience must be our principal guide in learning organization method and practice, and what better experience can a member of the Y. P. S. L. gain than by active participation in affairs run by the party where the experience of the older comrades will help him in acquiring his own experience at not too great cost.

During party campaigns for membership, elections, or for funds, the League can give splendid service by holding affairs of its own. This function it is peculiarly fitted for through its very youth, for dances, entertainments, social functions of one kind or another are an excellent source of revenue as well as a means of attracting new members to the League.

The members of the League should remember that the primary function of the League is to make Socialists. The League should recognize that new members are often young people who would never be interested in Socialism otherwise. They join the League partly for the fun they will get out of it, partly because they want to learn something about Socialism. Which object predominates varies with the individual applicant, but every new member is a possible recruit for the party and the League should get him interested and hummered in its activities at once by giving him a job—some work to do through which he will learn something of what the League really means.

These statements of what the League should do toward keeping close relations with the Socialist party would not be complete without mention of some things the League should not do.

The League should never take public action contrary to the principles and the policy of the party. If the members feel the policy is not right, they should join the party, and endeavor to make the changes in the regular manner available to every party member. A public disagreement will injure not only the party, but the League as well. In fact, no important public action of any sort should be taken without consulting some well informed member of the party.

If the League circles, whether composed of older or younger members, whether weak or strong in numbers or in Socialist sentiment, endeavor to carry out these suggestions of ways of co-operation—overlapping membership, exchange of fraternal delegates, assistance at various party affairs, and in raising money for the party, not only will the League be helping the Socialist Party, but it will be carrying out its own fundamental purpose—that of acting as a vehicle for the emancipation of the working class.

World Labor Behind Strike (Continued from Page 1) its sympathy and encouragement to the striking British workmen and offered any assistance within its power.

World Labor Behind Strike

The Japanese authorities and leaders of industry and politics here regard the situation in England with deep anxiety owing to the example which Japan's immature labor organizations almost inevitably will endeavor to imitate.

The prospect is especially intriguing owing to the enormously increased power of the Japanese workmen when the occasion is offered at the next general election for them to cast 10,000,000 votes under the new universal manhood suffrage law.

Canada

Ottawa, Ont., May 4.—Canadian labor leaders tonight cabled the British strike leaders a pledge of the moral support of the workers of the Dominion. They announced in an official statement that if the strike was a long drawn out affair, the British strikers could rest assured that if Canadians were called on to respond financially the call would not fall on deaf ears, as thousands of Canadian workers fought in the trenches of Belgium and France in the world war with the men now striking on the other side of the Atlantic.

Mexico

Mexico City, May 7.—The Mexican Confederation of Labor has taken steps to assist the British strikers. Orders have been issued from headquarters to all branches throughout the republic to collect funds for sending to Great Britain. This action was taken after an exchange of cablesgrams in which the strongest support, moral and moral, was offered by Mexican labor.

As a protest against the intransigent attitude of the British government with relation to organized labor, all the electrical workers throughout the republic will cease work from 11 o'clock to noon on Monday. There will be no light, power or street car service or anything else electric during that time. The probability is that no British ship will obtain fuel or oil at any Mexican port until the British strike is over.

The United States

The United States is the only country in the world that has not reported unanimous support of the British strike by the organized workers. President Green of the American Federation of Labor gave out an interview in Washington, D. C., May 4 in which he expressed sympathy with the original demands of the British miners, but refrained from enforcing the strike.

A. F. of L. "The American Federation of Labor believes the miners of Great Britain are justified in their demands that they be paid a decent living wage," said Mr. Green. "We believe their grievances are well founded and should be speedily redressed. We express the hope that those qualities of deliberation and judgment which have always characterized the British people in every crisis will so assert themselves as to bring about an immediate settlement of the causes of the strike and to avert the dire consequences with which the people of the nation are threatened."

United Mine Workers

Indianapolis, Ind., May 3.—American miners have no agreement with operators by which they could curb exportation of coal to Great Britain as a sympathy move for 1,000,000 striking miners of that nation. It was learned today at international headquarters of the United Mine Workers.

Illinois Mine Workers

This position of the United Mine Workers' national officials in Indianapolis, however, is not unanimous. An important branch of this organization, the Illinois Mine Workers, through its officials, has already pledged support to the British strike. Many other similar pledges will follow from progressive miners' unions and other progressive unions throughout the United States.

In view of this divided situation in America, the unqualified support voted the strike by the national Socialist Party convention in Pittsburgh is important. This action is reported in the capitalist papers as follows:

The Socialist Party

Pittsburgh, Pa., May 3.—The Socialist Party of America, at its national convention today, adopted a resolution concerning the British strike situation, urging "American workers to render all aid that is possible to insure a victorious conclusion of the struggle for the miners."

The Filling Station

LINCOLN PHIFER

"Henry Ford is certainly the most level headed man in America," remarked the man from Indiana as his tank was being filled at the station by Joe, the Standard Serf.

"And why that remark?" asked Joe. "Have you read his articles on American business, particularly big business?"

"Yes, why?" "Why, he makes it clear that big business is saving so much that it is entitled to rule the world; and that seems sound to me."

"Yes, big business is saving so much that it has made Mr. Ford a billion dollars in sixteen years."

"Suppose it has, the workers have benefited by it?" "Doubtless they have. But it has enabled the workers to save so very much that many multimillionaires have been created and the workers have not got what they should have by all these multiplied millions."

"Surely, you would not deny the creators of the business the profits they make?" "Mr. Ford explains that he objects to profits so strenuously that he has entered upon more than twenty side-lines in order to cheat other people out of their profits. Why is it right for Mr. Ford to make profits and not for these others to make them?"

"Well, Mr. Ford cuts out some of the profits." "He admits that is good. Why not cut out all of them and so serve the people still more?" "I don't like this class talk."

"Mr. Ford is creating classes of owners and workers; and with classes so created, class feelings can be eliminated."

Joits and Jobs

Men work with but one purpose, that they may rest and pore at closing of the Fortunate is he who fortune wins. So he may cease work ere he well begins.

What a fool the smart fool is! Small souls make large troubles. Some folks are happy though hateful. Don't let your nose shine in society. Wealth is not wealth so long as any are poor.

The longer a man lives the shorter his face becomes. How often we apologize for wrongs that others do us! You can't keep a man down, if he has a strong breath.

Most people think their misfortunes come from doing right. If you are a working mule prove it by kicking the system.

It is easier to reduce the pocketbook than the sh. the. If the workers were not slaves they would not have to ask for a job.

Another reason why we should smile is that it keeps us from whittling. The class struggle is becoming so acute that the master class would suppress mention of it. It is the head that is full of bumps that knows how to avoid the bumps in life's road.

Capitalism makes men cowards, and because they are afraid of poverty they shy at the truth. Wouldn't it be terrible if someone should steal the baseball diamond instead of just the base?

Letters to Judd

By Upton Sinclair

Letter XVI

My dear Judd: We have been discussing the problem of how the workers are to get possession of the industrial machinery of the country. I have proposed to pay for it; but there are some who insist that the workers should seize the plant. It has been built by the workers, and taken from them by fraud; if we purchase it, we merely continue exploitation under another form; the government replaces the owners as taskmaster, and collects the profits and pays them to the owners in the form of dividends.

This statement sounds all right, but it overlooks the essential factor in our business situation—that "iron ring" I have been telling you about. At the present time not one per cent of our factories are run at full capacity all the year round; but when we get possession of the workers, we break the iron ring, and can run them all day and all night. We have five million unemployed—the average of good years and bad, you remember—five million men to go to work, to turn out more goods for themselves and for all. We cut out the wastes and reduplication; and according to the lowest estimate, we double our production of goods.

The plant we propose to buy is worth, roughly, one hundred billion dollars, and its annual product is twenty billions, possibly thirty; let us say twenty, to be safe. We pay for it with five per cent bonds, which means the former owners get five billions a year. If we double production, we have forty billion a year, which leaves thirty-five billions for us. In other words, Judd:

WE CAN WORK HALF AN HOUR A DAY FOR THE OWNERS, AND FOUR HOURS A DAY FOR OURSELVES AND BE TWICE AS RICH AS AT PRESENT.

So you see why I am in favor of compensation? Not because I love the owners, but because, as a matter of cold cash, we shall do better that way. I will go so far as to argue that if we try to pay nothing, we shall really pay more. If we try to kick the bosses out, and seize the factories, and run them by workers' councils—obviously, that may mean civil war. The bosses have the factories, and they have machine-guns and airplanes and poison gas—a system for wiping out the lives of thousands of workers, if necessary. The force of revolution is that it may fail, and the workers, instead of getting the factories, may get castor oil and Fascist clubs. There is a big group of our masters who think that is what the workers need, and would take delight in administering it.

I know some young revolutionists who are prepared to die for the proletariat in a fine spirit of martyrdom. They are impatient of talk about money, but I beg them to pause and consider the balance sheet of Compensation versus Confiscation. Even though they succeed in their revolution, they surely cannot do it without industrial waste. They will have to stop the machines while they are fighting; they may shoot holes in the factories, and even burn some of them down. And just what will that do? We are reckoning, you understand, on our possible double produc-

tion—forty billions a year. The interest we pay, the owners is five billions a year. So now: IF IN THE COURSE OF OUR REVOLUTION WE DESTROY ONE EIGHTH OF OUR INDUSTRIAL PLANT, IT WOULD HAVE BEEN CHEAPER TO PAY THE OWNERS.

Or, suppose we have the good luck to get by without much fighting—what then? Well, the present management, which knows the industry, and is keeping the plant going—this management is hired by the owners, and is loyal to the owners, and will have to be booted out the back door, which will certainly stop production, cripple it for months, perhaps years. But if our government comes to the owners in a business deal, and buys the plant, the management will stay on, as it did when we took over the railroads during the war. On that basis, we shall not lose an hour of the plant's time, nor will the workers lose an hour of their wages. And how does this figure up, in the balance sheet of Compensation versus Confiscation? Listen:

IF OUR INDUSTRIAL PLANT IS IDLE FOR SIX WEEKS, WE HAVE LOST WHAT WOULD HAVE PAID THE OWNERS FOR A YEAR.

And again, an obvious consequence: EVERY DAY OVER SIX WEEKS THAT THE PLANT IS IDLE, THE WORKERS ARE PAYING FROM THEIR OWN POCKETS!

Our young revolutionists are going by the Russian model, and that is natural, because many of them come from there. But Russia had a small industrial plant, and we have a great one, enormously complicated. Moreover, Russia had no middle class, while we have a powerful one, ready to turn out at a moment's notice and use machine-guns and poison gas in the interest of property rights. The workers' revolution succeeded in Russia, because the country was broken by war; but to bring us to a similar state of disorganization would take decades of suffering and waste—I venture the guess that it would be twenty times cheaper to buy the capitalists out, than to bring America to the point where a physical force revolution could prevail.

And yet, having said all that, fairness compels me to admit another side. I have been setting forth the ideal procedure, but this is not an ideal world, and many times we have to take what we can get. Instead of the embarrassments of physical force revolution, is that it may fail, and the workers, instead of getting the factories, may get castor oil and Fascist clubs. There is a big group of our masters who think that is what the workers need, and would take delight in administering it.

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process of industrial evolution; rather it speeds it up—giving the rich more money to produce, more goods, and causing the poor to have less money to buy the goods. So the crisis comes on like a cyclone; and we shall find ourselves with our factories idle, and millions of people starving, and no idea of the next step to take. There will be no time to teach the masses, no machinery for reaching them; but the desperate workers in our cities will hear the voice of the Communist soapboxer, saying, "Take the factories, and produce goods for yourselves and your fellows." This soapboxer will ask: "Do you have to starve, because the majority has not voted you food?" He will ask: "Does a man have to remain a slave because the majority has not voted him free?" So it may happen that the hungry workers seize the factories and attempt to run them; and we shall have to make the best of it and help them to success.

In such an emergency, the social changes will be sudden and drastic; and that is the reason why I do not attempt to foretell what the new industrial forms will be. Just how the business will be managed depends in great part upon those who now have the power in their hands; they may choose either to be stubborn and brutal, or to display vision and a sense of justice; not to say of common prudence. You can see the difference this makes if you compare the great French revolution of a century and a half ago with the series of changes that have taken place in England during the same period. England has become a partly democratic country in fact, while remaining a monarchy in form; the reason being that the governing classes never pushed the people to the last extreme, but made concessions, just enough to keep themselves in power.

There is room for a variety of compromises between the workers and the capitalists, and also between the workers and the state. The capitalists may permit the setting up of shop committees, with the right of control over working conditions, they may consent to representation of the workers in boards which oversee each industry, with power to make adjustments and enforce decrees. Or both sides may prefer to call upon the government to do the adjusting. Or again, the workers may get control of the government, and laws may be passed providing for the taking over of control by the trade unions. A practical program has been worked out by the railway brotherhoods, the Plumb plan; providing for the purchase of the roads by the government, and their operation by a board representing the government, the brotherhoods, and the bondholders, until the latter have been paid off. The day may come when the money-masters of this country will wish they had had the statesmanship to put that plan into operation while there was time.

Concerning such practical details we shall judge according to circumstances. What I am trying to do here is to set forth the guiding principles we must keep in mind; first, we wish to organize all the workers in each industry, and make them class conscious, awake to their own interests, and eager for mastery over the conditions of their own labor; and second, we wish to use the power of the state to open the books of each industry and expose the profits, cutting down the share which goes to the idle owners, and increasing the share which goes to the useful workers. These are the two great realities, and we must keep them in sight, and not waste time arguing about words.

Learning is only the art of using wisdom; but if you are not wise to start with, learning will only give you more words with which to proclaim your folly.

The banks are going down hill and cannot stop bond issues without committing suicide.

All bonds will have to be repudiated. The banks do not care, providing they may first unload on the people, as they did with those dishonest countries, France and Italy.

Putting the people in debt means trouble for the people for a time. But after the process has gone far enough it means trouble for the masters.

The money you deposit in the banks is loaned to build factories in foreign countries, so that your wages may be forced down.

All the charity drives are intended to care for the victims of the profit system; and they do not begin to do it.

Voting for capitalism enslaves you; but voting for plutocracy enslaves your children.

How much do you own? Precious little. How much do you owe? The public debt, and also all the stocks and bonds of all commercial enterprises, on which you are expected to pay dividends. The much you owe explains how little you own.

The worst enemy of private property is the system which causes 90 per cent of the people to die paupers. The best friend of private property would be Socialism which would give all a chance to possess it.

If Socialism would be the failure its enemies try to make out, still it would not be the wasteful failure that the profit system is.

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Strike Marked By Solidarity and Discipline

By Norman E. Ewer (Foreign Editor, London Daily Herald, Leading British Labor and Socialist Paper.)

London, May 5.—"The stoppage is complete," says the official announcement of the Trade Union Council.

That summarizes the situation. From one end of the country to another the general strike call of the Trade Union Council has been answered with unanimity and enthusiasm.

As a result yesterday and this morning but twenty trains, carrying essential goods and footstuffs, ran.

The docks are all idle. The tram and bus services of every town is shut down, except for a few scab buses.

With the exception of two or three local provincial sheets not a single newspaper was printed yesterday. The government has published "The British Bulletin," a volunteer labor printed the Morning Times and Post as a small lithographed sheet.

This afternoon the Trade Union Council replied with "The British Worker," a strike bulletin printed in the Daily Herald plant.

The enthusiasm among the workers is amazing. The trouble is not to bring the workers out but to keep in those as yet not ordered on strike.

Complete order prevails everywhere. The only untoward incidents have been of the most trivial character. Yet the government is already drafting troops for mining and other workclass areas.

London streets these mornings present a most extraordinary spectacle. From all bourgeois suburbs thousands of small cars stream in so numerous that they have effectively choked all roads.

Car owners coming four and five miles often take two hours to make the trip. They were hopelessly outdistanced by workers plodding on foot.

Except for making of business by putting a people in debt still deeper there would be nothing doing in America right now.

Half the judges ought to be in prison, and half the prisoners freed.

There are never too many laws until after the master class has got all it wants.

Australian Labor Party Calls Peace Meet in Honolulu

A peace conference of labor in all countries bordering on the Pacific Ocean the third week in November this year has been called by the Australian Labor party.

A communications explaining the nature and purpose of this proposed meeting have been sent to the American Federation of Labor, many affiliated unions and the Socialist party of the United States and also to labor and Socialist organizations in other countries bordering on the Pacific.

The resolution authorizing this Pacific conference was passed by the All-Australian Trades Union Congress in 1921. It is as follows:

Resolution "Whereas we believe another war to be in the nature of things capitalistic; and

"Whereas we view with suspicion the Conference of Washington and Geneva as responsible for merely a re-alignment of warlike alliances; and

"Whereas, despite all the disarmament measures, increased preparations for war are being made in the world's laboratories and factories; and

"Whereas we fear that another war to end war will end civilization, culture and progress; and

"Whereas international working-class action is essential for the preservation of permanent peace— This Congress declares its uncompromising hostility to all forms of militarism and war, and urgently calls upon the workers to at once organize to prevent war by linking up with each other in order to oppose the designs, methods, and machinations of Capitalistic Governments, and as a step in this direction, this Congress instructs the Council of Action to convene a Pan-Pacific Congress of working-class organizations."

In his letter, Secretary McNamara says: "The object of the proposed Conference is to bring together the representative of Labor and other Organizations from countries bordering on the Pacific Ocean with a view of arriving at a better understanding in respect to the future peace of the Pacific.

Introduced, providing it be of joint inter-Pacific importance and is notified in time for its inclusion in the Agenda of the Conference.

"Business for the Agenda should reach me by 1st July, 1926."

"The basis of representation at the Conference is not fixed or arbitrary, but it is expected that the delegates from organizations participating will be accredited by the Chief Executive of their Organizations, and be financed by their respective organizations."

What Wall Street Thinks About the Big British Strike

The following is from Roger Hubson's "Confidential Bulletin," No. 1254. Hubson was for years a Wall Street operator and for a number of years has been publishing confidential reports for a large investing clientele.

Clients must not underestimate the possibilities of the struggle in England. This crisis has been years in developing and both sides are well prepared to fight.

The real aim of the strikers is, as we have stated for several months, an entire reorganization of British industry with labor having a first lien on all profits, a wider distribution of wealth and an increase in the standards of living.

Nationalization of key industries with control of the government by the extreme element in the Labor Party would be the means to this end.

Unless something should happen to bring the strike to an early conclusion, it must inevitably develop into a real revolution. Instead of lasting a few days or a few weeks as most people expect, it may extend for months. In fact although we all hope for an early solution, before the struggle is over we may see it sweep western Europe.

Considerable liquidation of securities holdings by both English and Continental investors is inevitable. If the London Stock Exchange closes, it will throw the main burden on the New York market.

In any event, the market for British and, in fact, all European securities will be depressed. The danger of such sudden crises has been one of the reasons why we have urged clients to keep out of the stock market, and continue to hold their funds in liquid form.

Moreover, it shows why we have not recommended purchase of European securities. In our Barometer Letter last October we named three powder kegs in Europe: (1) The instability of new European Republics, (2) the prospect of social revolution in England, and (3) the smoldering revolution in Italy.

One of these kegs has now exploded. There are so many issues hinging on the robbery of the workers in a big way that the Republican and Democratic parties have agreed to make the tariff the issue so that the workers will not look at what really concerns them.

The wages system has made the masters so hypocritical that they themselves do not know when they are deceiving themselves.

It would seem to be bad enough to rob the people into poverty, without kicking them afterward by declaring that the people cannot rule themselves.

Seek to Enjoin Passaic Muzzlers of Free Speech

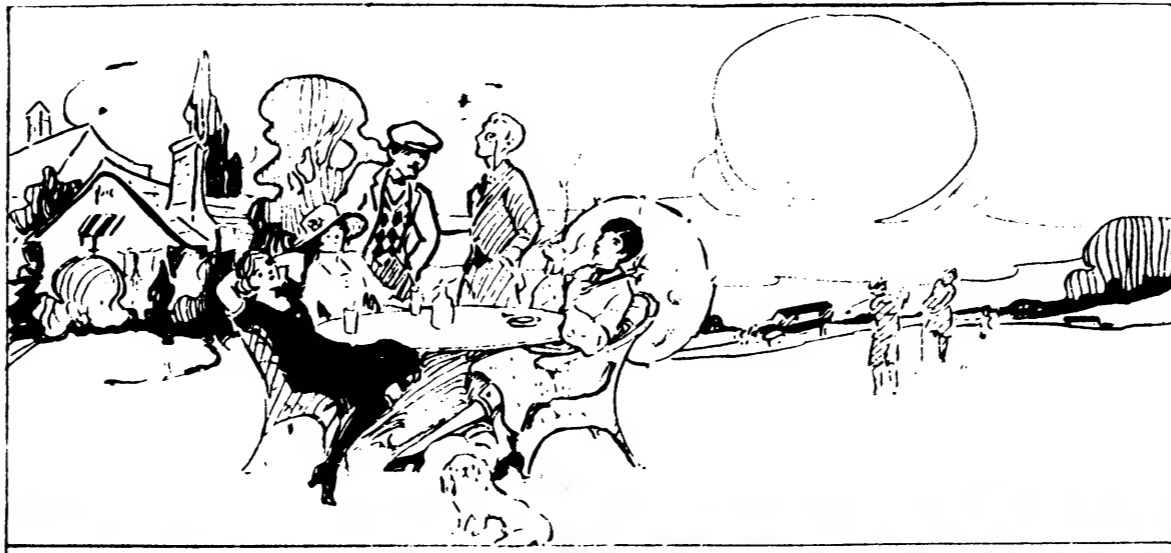
Passaic, N. J.—Attorneys for the Civil Liberties Union are preparing to apply for an injunction to restrain Bergen County officials from interfering with free speech and free assembly. Since the declaration of "riot law" in Bergen County and the closing of halls in Passaic, strikers have been holding meetings on lots offered by Mayor Samuel Nelkin of Wallington. A mediation conference arranged by Governor A. Harry Moore between representatives of mill owners and strikers was called off by the governor when he learned that Albert Weisbord, strike leader, had been chosen as negotiator for the United Front Committee.

With the New Jersey textile strike in its fourteenth week, more than a quarter million dollars has been raised by the Joint Committee for Defense of Passaic Strikers as a bail fund with which to continue its fight for free speech and the right of peaceful assembly. The Joint Committee is campaigning for a \$1,000,000 bail fund.

The Joint Committee has assigned different portions of legal defense in Passaic to its members. The cases of arrested strikers will be handled by the International Labor Defense. The cases of Robert Dunn, Esther Lowell, William Kurek, David Weinstein and Robert Wolf, arrested for not moving fast enough after the riot act had been read in Bergen County, will be defended by the International Labor Defense and the Civil Liberties Union. Cases involving free speech, including the arrest of Norman Thomas for attempting to hold a test meeting in Garfield, will be handled by the Civil Liberties Union. Efforts to secure a Congressional investigation will be left to the cooperation of the Civil Liberties Union and the United Front Committee.

A test case against a compulsory

Undermining British Capitalism



London News Dispatch—"For centuries the men who have mined the seams of coal thousands of feet underground have been working for the owners of the peaceful meadows above them."

The Collapse of Capitalism

By Covington Hall

"Hammering and thundering at the front door of every big-business council hall in the world is this commanding, dominating question demanding an answer—soon. On the walls of these council halls great bankers, manufacturers and railway kings read: 'The Collapse of Capitalism.'" George R. Kirkpatrick in the American Appeal, 1-30-1926.

I saw the "Whore of Babylon" go peeling to her death. And all the world was poisoned by her fatal dying breath. The rottenness long in her bones surged outward thru her skin. And o'er her painted features broke the symbols of sin.

I heard the panic in her court, the raging and distress. And, snarling at the Coming Age, her loathsome peckal press. I saw her boasted wise men fall, her Kings and Captains fail. The acid tush of destiny found wanting one and all.

The cloth of gold and purple that so long had hid her form. Like robes were striped and scattered by the World War's mighty storm. The tinsel from her forehead gone, her eyes a blood-red and wild. In terror of her terror stood Starvation's pitted child.

Her power born of violence no longer served her will. Her every word bred woe for her, her every act brought ill. Unsung, unwept, albated, cursed, the frightened Demon went. The cycle of her evil closed, her reign of fury spent.

Amid the cheers of millions, lo! she staggered to her tomb. Thru rapine, blood and famine plunged the Great Beast to her doom. And everywhere, in all the lands, where her death knell tolled. Triumphant thru the New World's dawn the drums of Freedom rolled!

Sweet Land of Liberty

Anti-evolution bills, announced as the goal of the Bible Crusaders of America, were introduced in three southern state legislatures in the first four months of 1926, according to a report on academic freedom by the American Civil Liberties Union. A bill enacted by the Mississippi legislature in February was signed by the governor in March. The Civil Liberties Union, which opposed the bill from the first, has offered to assist any taxpayer in a suit to enjoin the expenditure of public funds in enforcement of the statute. Similar bills were killed in Virginia and Kentucky.

The Atlanta, Ga. Board of Education adopted in February a resolution condemning the teaching of evolution in public schools and appointing a committee to report names of "guilty" teachers. In Texas the state Textbook Board ordered references to evolution removed from public school texts. A clause forbidding the teaching of "partisan politics, disrespect for the Bible, and that our is an inferior form of government" was struck from the District of Columbia appropriation bill by the House Committee. A test case against a compulsory

America Bankrupt---Has More Stocks and Bonds Outstanding Than Property

By Lincoln Phifer.

Story No. 1.

Stock market reports printed in the Kansas City Star April 3 throw new light on the amount of capitalization that is still in progress in America, and at the same time make it necessary that I revise my former estimate of one hundred thousand million dollars as the amount of indebtedness that has been imposed on the American people without their knowledge or consent.

The Star report says: "Capitalization of 889 new enterprises incorporated in March aggregated \$748,594,889, compared with \$96,402,000, reported by 916 companies in March last year, and \$2,675,185,000 distributed among 856 in February this year." Let us add together the official statement of stocks issued during the first three months of 1926:

March \$ 748,594,889
February 2,675,185,000
January 51 million dollars
more than in March, as told in the report 799,204,000

Total for quarter \$1,123,193,500
Figuring that the rate of stock issuance for 1925 was in direct proportion to the rate so far this year, then the total issued last year must have been four times this sum, or about \$1,123,193,500. The orgy of stock expansion has been in progress for five years. Counting five times this amount we have \$2,366,387,000; and adding to this the issues for the first quarter of 1926, the total amounts to \$2,675,185,000. My estimate was one hundred thousand million dollars.

But this is clearly too small. It will be noticed that the issues for March are lower than for February, 1926, and also lower than for January, 1926. Since the expose of the Appeal and other papers, there has been a marked slowing up in the issuances of stocks.

Besides, this estimate is based entirely upon the issuances of stocks to NEW enterprises. It leaves wholly out of consideration the reorganization of industries that were already in existence five years ago. It is probable that these stock issues to old companies would equal if not exceed the stocks issued by new concerns.

And further, the figures given above ENTIRELY OMIT BOND ISSUES. Consider the new financing bond issues almost always accompany stock issues. One may obtain a basis for estimating the bond issues from a paragraph found in the report already quoted in part from the Kansas City Star. It is said: "New security issues by corporations last month totaled 391 million dollars, 21 million less than in February, 241 million less than in January, and 23 million less than in March, 1925."

According to this report, the new bond issues for March were 301 million dollars; for February, 352 million dollars; for January, 542 million dollars; total for the three months, 1,175 million dollars. Estimating the bond issues on the same basis for five years before, we have a total of \$4,790 million a year and 23,950 millions for the five years before. Add to this the total stock issues, we have a grand total of \$111,827,071,800. This is almost twelve billion dollars more than my former estimate.

But all this omits from consideration two important elements. First of these is that it refers ENTIRELY to papers issued by NEW corporations. If to this be added the new paper against corporations that were in existence five years ago, then the total amount must be fully twice as large or two hundred thousand million dollars.

The second element omitted is the fact that all the old corporations, in existence before 1920, were already capitalized; it has been charged openly that many of them were overcapitalized. Bond issues were out against

practically all of them. If one shall add to the two hundred thousand million dollars of NEW securities, issued against the wealth of America, an equal amount of OLD securities, issued since the beginning of the twentieth century when the first great reorganization period began, he will find that the total corporate paper, plus all the municipal, state and municipal bonds, standing will aggregate something like FOUR HUNDRED THOUSAND MILLION DOLLARS.

The estimated wealth of all the United States and all the people of the world is around THREE HUNDRED THOUSAND MILLION DOLLARS. It means that YOU ARE BANKRUPT.

But it means also that the bankers and financiers have overstepped themselves and THEY ALSO ARE BANKRUPT.

The bankers know it, too. They indicated by recent events. The publication of a few of the articles in the American Appeal and a few other publications threw the speculators into a panic. The same official stock market report printed in the Kansas City Star, to which allusion has already been made, says further: "Standard statistics index of the stock market, embracing 232 stocks, rose 4 points of 15.4 points from the 22.8 of 1926 to March 22. The index for that date was 116. This figure is 3.34 above the low of 1925. The largest decline from the high in any one of the 232 stocks, was in the average for 1925 share store companies, which fell 1.50 to 37.1. Mail order stores averaged .84 points; automobile corporations, .62; food company shares, .55; electric, .32; Petroleum, .11; and other, .10."

I shall not analyze this report. It is for yourself. It is quite evident that the staff correspondent of the Star, whom it was thought advisable to send to Washington for some reason, was right when he declared some days ago that the speculators were cent decline of stocks had amounted literally "BILLIONS."

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British Labor Uncovers the Real Issue

The International Socialist Bulletin report of the recent conference of the Independent Labor Party of Great Britain brings out the interesting fact that the pivotal action of this conference was the adoption after a hot debate by a large majority of the new central issue upon which Socialist tactics, activities and propaganda in Great Britain is to be based in a drive to get "Socialism in our day."

The issue selected was the demand for a minimum wage for the family in Great Britain.

This issue is expressed in another way by the Independent Labor Party: WAGES SHALL CONSTITUTE THE FIRST CHARGE ON INDUSTRY.

This issue was chosen because decadent British capitalism has reached the point where the basic industries have begun to break down to such an extent that they will not or cannot pay a living wage.

This break-down is following from the chronic and incurable disorders of the capitalist system. The coal industry is breaking down because of uncontrolled production, waste, and uncontrollable market fluctuations under the present system.

Other industries are moving toward a similar break-down from lack of national co-ordination in production and distribution, competitive waste, lack of productive control; THE INCREASING SURPLUS WHICH OVERFLOWS ALL THE LIMITATIONS OF FREE MARKET MARKETS AND THREATENS TO SUBMERGE THE SYSTEM.

As the present decaying system fails more and more to pay a living wage, or to furnish work for the workers, THE ISSUE ADOPTED BY THE SOCIALISTS OF GREAT BRITAIN MUST BECOME THE CENTRAL ISSUE OF SOCIALISM AND LABOR ALL OVER THE WORLD.

THIS ISSUE HAS THE ADVANTAGE OF MEETING THE SUPREME NEED OF THE TIMES AND OF TRYING TOGETHER IN AN INDIVISIBLE UNION SOCIALISM AND ORGANIZED LABOR.

It is exactly what both movements must fight for IN FIGHTING FOR THEIR LIVES AND THE LIFE OF CIVILIZATION.

The realization of this demand CAN MEAN NOTHING LESS THAN THE REALIZATION OF SOCIALISM. CAPITALISM CANNOT MEET THIS DEMAND WITHOUT FUNDAMENTAL REORGANIZATION INTO SOCIALISM.

The British Socialists have chosen their supreme issue with true instinct and wisdom.

They made this choice just before the present great coal strike thrust the whole British labor movement on to the basis of this issue.

It is the movement which has the prevision of events, this philosophy of development, and that organization, that will inevitably take the lead in the struggle now precipitated.

THE BRITISH STRIKE IS A PART OF THE SOCIALIST PROCESS. IT MAY BE A STEP TOWARD SOCIALISM OR IT MAY GO THE WHOLE DISTANCE.

15 Corporations Take Billion Dollar Swag

By Leland Olds, Federated Press. More than a billion dollars in new stock was taken by 15 corporations in 1925, according to The Wall Street Journal.

These 15 companies presented their owners with \$1,067,906,881, a sum of 16 per cent over 1924 when their profits totaled \$919,919,761.

Of the 1925 total, \$904,000,000 remained for the owners of common stock after all deductions for interest and preferred dividends. The par value of their common stock was \$436,712,666 the average return on investment was 17.6 per cent. No allowance is made here for the inflation through stock dividends.

Such huge profits enabled these corporations to pay dividends averaging 8 per cent and at the same time add \$436,712,666 to accumulated surplus profits. These undivided profits total \$315,490,932, more than three quarters of the par value of the common stock. Surpluses are available not only for extending the property without other cash investment but also for paying dividends during depression.

The 15 corporations, with their 1925 profits and the percentages of common stock are:

Table with columns: Profits in 1925, Amount of Common Stock. Lists companies like U.S. Steel, General Motors, Standard Oil of N.J., Ford Motor, etc.

Am. Tel. & Tel. \$129,000,000 15
U. S. Steel 117,711,771 12.9
General Motors 116,916,277 12.7
Standard Oil of N. J. 114,000,000 12.7
Ford Motor 84,560,000 9.2
Bank of America 78,591,000 8.7
Southern Pacific 60,867,410 6.7
Santa Fe 57,404,652 6.2
Baltimore & Ohio 47,435,959 5.2
General Electric 40,566,914 4.4
Consol. Gas, N. Y. 37,051,350 4.1
Du Pont 36,836,298 4.0
Bethlehem Steel 26,943,758 2.9
Woolworth 24,601,765 2.7

But it means also that the bankers and financiers have overstepped themselves and THEY ALSO ARE BANKRUPT.

The bankers know it, too. They indicated by recent events. The publication of a few of the articles in the American Appeal and a few other publications threw the speculators into a panic. The same official stock market report printed in the Kansas City Star, to which allusion has already been made, says further: "Standard statistics index of the stock market, embracing 232 stocks, rose 4 points of 15.4 points from the 22.8 of 1926 to March 22. The index for that date was 116. This figure is 3.34 above the low of 1925. The largest decline from the high in any one of the 232 stocks, was in the average for 1925 share store companies, which fell 1.50 to 37.1. Mail order stores averaged .84 points; automobile corporations, .62; food company shares, .55; electric, .32; Petroleum, .11; and other, .10."

I shall not analyze this report. It is for yourself. It is quite evident that the staff correspondent of the Star, whom it was thought advisable to send to Washington for some reason, was right when he declared some days ago that the speculators were cent decline of stocks had amounted literally "BILLIONS."